

REQUEST FOR QUALIFICATIONS NOTICE

NUMBER 01A0993

Note: Address all questions concerning this Request for Qualifications (RFQ) in writing to the attention of Terri Stephenson at Terri_Stephenson@dot.ca.gov. You may also reach the analyst by telephone at (916) 227-3228. Consultants contacting the District or Division directly seeking information about this RFQ may jeopardize the integrity of the selection process and risk possible disqualification.

Read carefully, this document has been revised as of 11/15/06.

I. GENERAL INFORMATION

- A. The State of California, Department of Transportation (Department) is soliciting Statements of Qualifications (SOQs) from qualified firms that may lead to the award of a contract for Professional Land Surveying services.
- B. The estimated contract amount is \$5,000,000 through \$9,000,000.
- C. The estimated contract term is Three (3) years.
- D. Interviews will be held in Sacramento on June 29, 2007. Confirmation letters will be sent to those firms short-listed.
- E. Negotiations will be held with the top-ranked firm in Sacramento on July 5, 2007.
- F. Disadvantaged Business Enterprise Program
 - 1. This solicitation is subject to Title 49, part 26, Code of Federal Regulations (49 CFR 26) entitled "Participation by Disadvantaged Business Enterprises in Department of Transportation Financial

Assistance Programs." In order to ensure the Department achieves its federally mandated statewide overall DBE goal, the Department encourages the participation of Disadvantaged Business Enterprises (DBEs), as defined in 49 CFR 26 in the performance of Agreements financed in whole or in part with Federal Funds. The Bidder shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of subcontracts. Refer to "Statement of Qualifications Submittal Instructions and General Contract Process Information" for additional information.

- 2. As required by federal law, the Department has established a statewide overall DBE goal. In order to ascertain whether that statewide overall DBE goal is being achieved, the Department is tracking DBE participation on all Federal-aid contracts.
- G. Federal and/or State prevailing wage rates may apply. This requirement, if applicable, will be specified in the draft contract.
- H. The Department does not guarantee, either expressly or by implication, that any work or services will be required under any contract issued as a result of this RFQ.
- I. A Post-award Audit will be performed on any contract issued as a result of this RFQ.

II. SCOPE OF WORK/DELIVERABLES

The work to be performed for this RFQ is described in the Scope of Work/Deliverables, dated May 17, 2007, and is hereby incorporated as Attachment 1.

III. SUBMISSION OF STATEMENTS OF QUALIFICATIONS (SOQs)

A. IMPORTANT: Download "Statement of Qualifications Submittal Instructions and General Contract Process Information" from: http://Caltrans-opac.ca.gov/aeinfo.htm. Failure to follow these instructions may result in rejection of your SOQs.

B. SOQ Package Submittal Instructions

1. Eight (8) copies of the SOQ containing all the indicated information shall be submitted. Fax copies will not be allowed. SOQs will be accepted until **3:00 p.m.** on **June 15, 2007**, and must be directed to:

State of California
Department of Transportation
Administration
Division of Procurement and Contracts, MS 65
1727 30th Street
Sacramento, CA 95816-7006
Attention: Terri Stephenson
Telephone: (916) 227 – 3228

- 2. If your SOQ package is hand delivered, you must date and time stamp it immediately upon arrival. The date/time stamp machine is located in the lobby of the first floor to the right of the security guard station at the address noted above. Date/stamp one label for each SOQ package/box submitted. Ask the security guard to call the Division of Procurement and Contracts' reception desk at (916) 227-6000 to have your SOQ package picked up by Contracts' staff.
- 3. The SOQs must be submitted in a sealed package labeled as follows:
 - RFQ Number **01A0993**
 - Submittal deadline June 15, 2007
 - "DO NOT OPEN"
- 4. SOQ submittals are considered responsive when all copies are received in the specified location(s) on the date and time specified in this RFQ.
- C. Request for RFQ Copies and/or Bidders' List

Copies of this RFQ and/or Bidders' List may be requested by contacting the State of California, Department of Transportation, Division of Procurement and Contracts, <u>Bid Line</u> at (916) 227-6075. You may leave a recorded message or send your FAX request to (916) 227-1950. <u>You must include the RFQ solicitation number</u>.

STATEMENT OF WORK

A. Required Services:

The CONSULTANT shall perform professional and technical surveying and right of way engineering services on an on-call "as needed" basis to support the development and construction of proposed STATE transportation facilities in **District 1**. The STATE's Contract Manager will approve a STATE Task Manager who will issue Task Orders to the CONSULTANT for specific surveying projects. Task Orders may include, but are not limited to; the following Work Breakdown Structure (WBS) defined surveying, right of way engineering, and related services and products. The most current version of the standard State Department of Transportation (Caltrans) WBS, on the Internet at: http://northregion/ProgProjMgmt/NR/workplan_stds_guide.htm

160.10.40	Updated Right of Way Data Sheet
160.10.65	R/W Relinquishment and Vacation Study
160.15.25	Project Report Circulation, Review, & Approval
160.20.25	Existing Records
160.20.30	Land Net Surveys
160.20.35	Land Net Map
160.20.50	Control Surveys
160.20.55	Photogrammetric Maps And Products
160.20.60	Engineering Surveys
160.20.65	As-Built Centerline Surveys
160.20.70	Pavement Surveys
160.30.10	Surveys and Mapping for Environmental Studies
185.10.50	Control Surveys
185.10.55	Photogrammetric Maps And Products
185.10.60	Engineering Surveys
185.10.65	As-Built Centerline Surveys
185.10.70	Pavement Surveys
185.20	Engineering Reports
185.20.40	Utility Locations Determined For Design
185.25	Right Of Way Requirements Determination
185.25.15	Right Of Way Requirements Maps
220.05.05	Existing Records
220.05.10	Land Net Survey
220.05.25	Monumentation Perpetuation Record Of Survey
220.10	Land Net Map
220.15.05	Appraisal Map
220.15.95	Other Maps
220.20.15	Resolution Of Necessity Package
220.25.05	Director's Deed Package
220.25.95	Other Deeds And Documents
220.35.05	Flagged Right Of Way
220.35.10	Staked Right Of Way
255.05	Circulate & Review Draft District PS&E

255.35.10	Construction Staking Package
255.35.20	Project Control for Construction
270.10	Construction Staking Package and Control
270.10.10	Construction Staking Package
270.10.20	Project Control for Construction
270.15.15	Slope Stakes
270.15.25	Rough Grade Stakes
270.15.30	Finish Grade and Curb Stakes
270.15.35	Drainage and Minor Structure Stakes
270.15.50	Miscellaneous Stakes
270.15.55	Construction Photogrammetry
270.15.60	Ground Stakes for Major Structure
270.15.65	Superstructure Stakes for Major Structure
270.20.50	Technical Support
270.25.15	Pre-Construction Meeting with Contractor
285.10.05	Field Surveys for CCO
285.10.10	CCO Stakes
290.35	Technical Support
300.05.05	Right of Way Monumentation Survey
300.05.10	Filed Monumentation Record of Survey
300.10	Trial Exhibits And Testimony
300.25	Relinquishment and Vacation Maps
300.30	Deed Package for Excess Land Transactions
300.35	Right of Way Record Map

B. Schedule of Performance:

- 1. The CONSULTANT shall not commence work until written notification to proceed is issued by the STATE's Contract Manager.
- 2. The CONSULTANT is advised that any recommendation for contract award is not binding on the STATE until the contract is fully executed and approved by the STATE.
- 3. The period of performance for each Task Order shall be in accordance with the contract performance period. Services and deliverables identified in a Task Order will be completed and delivered as specified in the Task Order. No Task Order will be written which extends beyond the expiration date of this contract.
- 4. The CONSULTANT will perform each WBS task requested in the Task Order within the time specified and agreed to. No Task Order will be worked on after the expiration date of the Task Order. Changes above the Task Order limit, or on any work performed after the expiration date of the Task Order, will not be paid.

C. Location of Work:

The work shall be performed on projects to improve the STATE's transportation system in the following California counties; Del Norte, Humboldt, Lake, and Mendocino. The specific location of the field surveying work to be performed will be stated in each Task Order.

D. Standards:

- 1. All work shall be performed in accordance with current California Department of Transportation manuals and their current revisions. Work not covered by the manuals shall be performed in accordance with accepted professional standards.
- 2. The STATE's Contract Manager, in cooperation with the STATE's Task Manager, shall decide all questions which may arise as to the quality or acceptability of deliverables furnished and work performed for this contract. All evaluation will be based on strict adherence to the standards and specifications as outlined by the California Department of Transportation Survey Manual or as specified in the Task Order.
- 3. The minimum standard of work quality shall be that of similar survey and right of way engineering work performed by the STATE.
- 4. Surveys performed by the CONSULTANT shall conform to the requirements of the Land Surveyors Act. "Responsible charge" as defined in the Land Surveyors Act shall reside with a Licensed Land Surveyor or a pre-January 1, 1982 Registered Civil Engineer.
- 5. Additional standards for specific surveying and right of way engineering work may be included in the Task Order. Such standards supplement the standards specified herein. If such additional standards conflict with the standards specified herein, the Task Order standards shall govern over the standards specified herein.

E. Availability and Work Hours

- 1. The CONSULTANT shall begin the required survey work and/or right of way engineering work within three working days after receiving a fully executed Task Order. Once the work begins, the work shall be prosecuted diligently until all required work has been completed satisfactorily.
- 2. Surveying and right of way engineering work shall not be performed when conditions prevent a safe, efficient operation.
- 3. Unless otherwise specified in the Task Order or directed by the STATE's Contract Manager, the normal workweek shall consist of 40 hours.
- 4. Overtime may be required. However, overtime shall be worked only when directed in writing by the STATE's Contract Manager, in advance, or if specifically required by the Task Order. Electronic mail may be used to grant approval.

F. Personnel Requirements

The CONSULTANT's personnel shall be capable of performing the types of surveying and right of way engineering work described in Section A - "Required Services" with minimal instructions. Prevailing Wage may apply for this contract.

- 1. Project Manager The CONSULTANT's Project Manager shall coordinate all surveying and right of way engineering matters with the STATE's Task Manager, as agreed with by the STATE's Contract Manager. The Project Manager shall be accessible to the STATE's Contract Manager and/or STATE's Task Manager at all times during normal STATE working hours. In addition to other specified responsibilities, the Project Manager shall be responsible for all matters related to the CONSULTANT's personnel and survey operations, including:
 - Reviewing, monitoring, training, and directing the CONSULTANT's personnel.
 - Assigning personnel and survey parties to complete the required Task Order work as specified.
 - Administering personnel actions.
- 2. Party Chiefs and Office Chiefs Party Chiefs and Office Chiefs shall fulfill one of the following licensing requirements.
 - A Land Surveyor licensed in the State of California.
 - A Civil Engineer in the State of California registered before January 1, 1982.
 - An experienced surveyor who serves as Chief under the direction and supervision of a person who is a Land Surveyor licensed in the State of California or a Civil Engineer registered in the State of California before January 1, 1982. This direction and supervision shall be provided in a manner and with a span of control and immediacy that enables the supervisor to be in "responsible charge" of the work as defined in the Business and Professions Code, Division 3, Chapter 15 (The Land Surveyors Act).
- 3. Surveying Assistants The surveying assistants to the Party Chiefs and Office Chiefs shall be capable of assisting the Chiefs in all required field and office surveying and right of way engineering work.
- 4. Minimum Requirements for Survey Party Membership Unless otherwise specified in the Task Order, each survey party shall consist of a Party Chief and two to three assistants (number of assistants dependent on the nature of the work), except when additional party members are required for safety.
 - a. Each Party Chief shall be knowledgeable and experienced in the following:
 - Plane and geodetic surveys.
 - Equipment used in surveying for transportation facilities.
 - Computers and their applications.

- Principles of effective communication and supervision.
- A Supervisor's role in safety matters.
- b. At least one assistant to the Party Chief shall be capable of assuming temporary leadership of the survey party in emergencies.
- c. No more than one member of the survey party shall have less than one year of surveying experience.

G. Orientation Provided by the STATE

The STATE shall provide orientation for each Task Order as necessary. The orientation shall consist of instructions on Caltrans procedures, practices, and requirements for the specific survey work to be performed. The CONSULTANT shall perform the survey work in conformance with the orientation instructions, in addition to the requirements specified herein and in the Task Order.

H. Equipment Requirements

- 1. Office Equipment and Supplies The CONSULTANT shall have adequate office equipment and supplies to complete the required surveying and right of way engineering work. Such equipment and supplies shall include, but not limited to the following:
 - a. Computers, printers, plotters, and calculators.
 - b. Data processing systems, including software, for:
 - Reducing survey data.
 - Performing network adjustments for vertical and horizontal control surveys.
 - Processing digital terrain models in the STATE's approved roadway design format (currently CAiCE).
 - Coordinate geometry calculations. This software shall use/create coordinate geometry databases; naming and coding conventions in the STATE's approved formats (currently CaiCE).
 - Formatting survey data and digital terrain models to the formats used by the STATE's computerized survey and design systems.
 - c. Computer Aided Drafting equipment and software capable of producing surveying and right of way engineering maps, drawings, and documents in the STATE's approved format (currently MicroStation).
- 2. Field Equipment and Supplies The CONSULTANT shall have adequate field equipment and supplies to complete the required field surveying work. The equipment and supplies for each survey party shall include, but not limited to the following:
 - a. Two survey vehicles each being suitable for the terrain conditions of the project sites and the work to be performed. One vehicle shall be fully equipped with all necessary tools,

instruments, and supplies required for the efficient operation of a survey party. Each vehicle shall have an overhead flashing yellow or amber light.

- b. An electronic calculator or portable computer.
- c. Hand tools as appropriate for the requested survey work.
- d. Traffic cones, at least 25. Such cones shall be 28 inches, minimum, in height.
- e. Traffic control devices (including signs, sign bases, flags, and hand held signs) as required to perform the requested survey work as outlined in the California Department of Transportation's Safety manual and Survey manual.
- f. Leveling instruments and equipment:
 - Self-leveling level or electronic bar code level capable of achieving the precision stated in the Caltrans Survey Manual.
 - Suitable leveling rods for the work to be performed.
- g. A Total Station Survey System consisting of: 1) an electronic angle measuring instrument that has a manufacturer's listed accuracy for the direct circle reading of the horizontal and vertical angles of 3 seconds or better, 2) an electronic distance measurer that has a manufacturer's listed accuracy of 5-millimeters plus/minus 3 ppm or better and 3) an electronic data collector capable of running the Caltrans' current data collection and stakeout software.
- h. Global Positioning System (GPS) Equipment: GPS equipment may be used when approved by the STATE's Contract Manager or Task Order Manager.
 - GPS receivers suitable for the specific survey.
 - GPS antennas with ground planes as specified in the Caltrans Survey Manual.
 - Fixed-height tripods as specified in the Caltrans Survey Manual.
 - Real Time Kinematic (RTK) equipment consisting of a base station, base radio, and a rover unit.

I. Datum Requirements

- 1. The STATE shall designate the existing horizontal and vertical control monuments that are to be the basis of CONSULTANT-performed surveys and mapping. The STATE shall provide the California Coordinate System values for the horizontal control monuments and the elevation values for the vertical monuments. All bearings and distances shall be on the California Coordinate System as based on the primary control furnished to CONSULTANT. The CONSULTANT shall adjust the CONSULTANT-performed surveys utilizing the designated control monument values. Under no circumstance shall other survey control be used by the CONSULTANT.
- 2. All maps and deeds prepared by the CONSULTANT shall conform to the STATEWIDE SYSTEM OF PLANE COORDINATES, Sections 8801 through 8819 of the Public Resources Code. Distances and bearings shown shall be grid and the maps and documents shall show the appropriate datum and combination factor necessary for surface conversion.
- 3. The Task Order will designate which epoch of the California Coordinate System is to be used for horizontal coordinate values.
- 4. The Task Order will designate the vertical datum to be used for elevations.

J. Survey Safety

In addition to the requirements specified elsewhere in this contract, the following also shall apply:

- 1. The Task Order may stipulate that the CONSULTANT provide Traffic Control planning and services. All such plans and services shall meet all applicable Caltrans Safety Standards and District addendum. (See Section M "TRAFFIC CONTROL").
- 2. The CONSULTANT shall conform to the safety provisions of the Caltrans Surveys Manual.
- 3. The CONSULTANT's surveying personnel shall wear white hard hats, eye protection, and approved safety vests at all times while working in the field.
- 4. The CONSULTANT shall provide appropriate safety training for all CONSULTANT's field personnel, including training required for surveying on and near highways.
- 5. The CONSULTANT shall provide all safety equipment.

K. Monument Markings

Monuments established by the CONSULTANT shall be marked by the CONSULTANT with STATE-furnished disks. In addition, the CONSULTANT shall identify STATE-furnished monuments by tagging or stamping the monuments with the license or registration number of the CONSULTANT's surveyor who is in "responsible charge" of the work.

L. Deliverables

Unless otherwise specified in the Task Order, the deliverables shall conform to the following:

- 1. All maps shall be submitted in both hardcopy and electronic files in the STATE's approved format (currently MicroStation).
- 2. Deeds and other written documents shall be submitted in both hardcopy and electronic files in the STATE's approved format (currently Microsoft Word).
- 3. Survey points, lines, and monuments shall be established, marked, identified and referenced, as required by the Task Order and the requirements herein.
- 4. Survey note, drawings, calculations and other survey documents and information shall be completed as required by the Task Order and the requirements herein.
- 5. All original survey documents, written and electronic, resulting from this contract (including original field notes, data collector raw files, edits to field data, adjustment calculations, final results, and appropriate intermediate documents) shall be delivered to the STATE and shall become the property of the STATE. The CONSULTANT shall retain a copy of all survey documents furnished to the STATE. When the survey is performed with a Total Station Survey System, the original field notes shall be a hard copy listing in a readable format of the data (observations) as originally collected and submitted by the survey party. The listing shall be signed and sealed by the person in "responsible charge" of the survey.
- 6. The final results of all surveys shall be delivered to the STATE in the formats specified below:
 - a. The HORIZONTAL CONTROL shall be submitted in an electronic file in a STATE designated format. The electronic medium shall be consistent with the STATE's computerized system. Also, an alpha/numeric hard copy point listing with adjusted California Coordinate System northings and eastings and appropriate descriptions shall be submitted.
 - b. The VERTICAL CONTROL shall be submitted in an electronic file in a STATE designated format. The electronic medium shall be consistent with the STATE's computerized system. Also, an alpha/numeric hard copy benchmark listing with adjusted elevations and appropriate descriptions shall be submitted.
 - c. The TOPOGRAPHIC DATA shall be submitted in electronic files in STATE designated formats. The electronic medium shall be consistent with the STATE's standards and the requirements herein.
 - d. Other As specified in the Task Order.

M. Traffic Control

When required to safely complete the required field survey work, the CONSULTANT shall establish and maintain traffic control, including lane closures, in accordance with the STATE's standards and the requirements herein. Personnel performing traffic control work shall be experienced in such work. Before closing any traffic lanes, approval shall be obtained from the STATE's Area Traffic Control Manager, unless lane closures are requested specifically in the Task Order.

N. Materials to be Provided by the STATE

The STATE shall provide the CONSULTANT materials necessary to complete a Task Order. The CONSULTANT shall execute the specific work described in the Task Order based on the material supplied. When applicable, the following materials will be provided the CONSULTANT.

- 1. Existing right of way record data, if any, within the project limits.
- 2. Existing survey maps, control, and data as available.
- 3. Existing topographic and planimetric maps of the project area, if available.
- 4. Project limits.
- 5. Monument disks and marker posts.
- 6. "Daily Survey Party Report" forms.

O. Materials to be Provided by the CONSULTANT

Unless otherwise specified herein or in the Task Order, the CONSULTANT shall provide all materials to complete the required work. The CONSULTANT will obtain all permits, if required, for any surveying or right of way engineering work to be performed.

P. Monitoring and Review Procedure

- The STATE's Contract Manager, or his representative, shall have the right, or as requested by the CONSULTANT, to monitor and review the progress and/or processes of the CONSULTANT.
- 2. The CONSULTANT shall meet with the STATE's Task Manager a minimum of once per month to review procedures and progress.
- 3. The Survey Party Chief for each CONSULTANT's survey party shall prepare a daily "Survey Party Report". The report shall be prepared on STATE-provided forms and shall be prepared daily at the end of the day's work. The CONSULTANT will submit a copy of said report at the end of each workweek to the Task Order Manager.

Q. Product Approval and Payment

- 1. All surveying and right of way engineering deliverables, survey data, maps, and documents produced by the CONSULTANT as specified by the Task Order shall be subject to the approval and acceptance by the STATE's Task Manager.
- 2. In the event of non-acceptance due to errors or omissions, the CONSULTANT shall make corrections prior to payment.
- 3. Work that does not conform to the requirements specified herein and the applicable Task Order will not be paid for. All work required to fix the Task Order deliverables to conform to the requirements specified herein will be at the CONSULTANT's expense.
- 4. The CONSULTANT will be reimbursed for hours worked at the hourly rates specified in the CONSULTANT's Cost Proposal (Attachment XX), only if all work meets specified requirements. The specified hourly rates shall include direct salary costs, employee benefits, overhead, and fee. These rates are not adjustable for the performance period set forth in this agreement. Any invoiced overtime hours not approved in writing, in advance, shall be reimbursed at the loaded straight rate. Overhead will include, but not be limited to the following:
- 5. In addition, the CONSULTANT will be reimbursed for direct costs, other than salary costs, that are identified in an executed Task Order.
- 6. Reimbursement for transportation and subsistence costs shall not exceed the rates to be paid non-represented/excluded State employees under current State Department of Personnel Administration rules detailed in the Caltrans Travel and Expense Guide.
- 7. Progress payments will be made no more frequently than monthly in arrears based on services provided at specified hourly rates and allowable direct costs incurred.
- 8. The CONSULTANT shall not commence performance of work or services until this contract has been approved by the STATE and notification to proceed has been issued by the STATE's Contract Manager. No payment will be made prior to approval nor for any work performed prior to approval of this contract.
- 9. A Task Order is of no force or effect until returned to the STATE and signed by an authorized representative of the STATE. No expenditures are authorized on a project and work shall not commence until a Task Order for that project has been executed by the STATE.
- 10. Upon receipt by the STATE's Contract Administrator of itemized invoices in triplicate, the CONSULTANT will be reimbursed, as promptly as fiscal procedures will permit. Separate invoices itemizing all costs, are required for all work performed under each Task Order. Invoices shall be submitted no later than 45 calendar days after completion of each billing period or upon completion of the Task Order. Invoices shall detail the work performed on each

milestone, or each Task Order project, as applicable. Invoices shall follow the format stipulated in Attachment II and shall reference this contract number, project title and Task Order number. The CONSULTANT prior to the expiration or termination of this contract must reimburse credits due the STATE, including any equipment purchased under the provisions of Section R of this contract. Invoices shall be mailed to the STATE's Contract Administrator at the following address:

DEPARTMENT OF TRANSPORTATION North Region Consultant Services Unit Attn: Janet Macias 703 B Street Marysville, CA 95901

11. The total amount payable by the STATE for an individual Task Order shall not exceed the amount agreed to in the Task Order. Task Order provisions require written approval by the CONSULTANT and the STATE.

R. Equipment Purchase

- 1. Prior authorization in writing by the Contract Manager shall be required before the CONSULTANT enters into any non-budgeted purchase order or subcontract exceeding \$500 for supplies, equipment, or consultant services. The CONSULTANT shall provide an evaluation of the necessity or desirability of incurring such costs.
- 2. For purchase of any item, service, or consulting work not covered in the CONSULTANT's Cost Proposal and exceeding \$500, with prior authorization by the Contract Manager, three competitive quotations must be submitted with the request or the absence of bidding must be adequately justified.
- 3. The CONSULTANT shall maintain an inventory record for each piece of non-expendable equipment purchased or built with funds provided under the terms of this contract. The inventory record of each piece of such equipment shall include the date acquired, total cost, serial number, model identification (on purchased equipment), and any other information or description necessary to identify said equipment. Non-expendable equipment so inventoried are those items of equipment that have a normal life expectancy of one year or more and an approximate unit price of \$5,000 or more. In addition, theft-sensitive items of equipment costing less than \$5,000 shall be inventoried. A copy of the inventory record must be submitted to the STATE on request by the STATE.

S. Use Of Other Forces

The STATE reserves the right to use other forces to perform surveying services as described above if the STATE determines that the CONSULTANT cannot fully meet the STATE's needs.

T. Replacement Land Surveying Services

When requested by the STATE, the CONSULTANT shall also provide replacement Land Surveying services on projects to improve the STATE's transportation system in the following California counties; Del Norte, Humboldt, Lake, and Mendocino. Replacement Land surveying services shall be handled in the same manner as the Land Surveying services in this agreement.

U. Termination

The STATE may terminate this agreement with the CONSULTANT should the CONSULTANT fail to perform the covenants contained herein at the time and in the manner required. In the event of termination, the STATE may proceed with work in any manner deemed proper by the STATE. If the STATE terminates this agreement with the CONSULTANT, the STATE shall pay the CONSULTANT the sum due the CONSULTANT under this agreement prior to termination, provided however, that the cost of completion to the STATE shall be deducted from any sum due the CONSULTANT under this agreement, and the balance, if any, shall be paid to the CONSULTANT upon demand.